



COMMISSIONER  
Jon Weizenbaum

December 5, 2013

To: Nursing Facilities (NFs)

Subject: **Provider Letter 13-45** – Implementation of New Medicaid Bed Allocation Rules

The revisions to the Medicaid bed allocation rules at Texas Administrative Code, Title 40, Part 1 §[19.2322](#) became effective on October 23, 2013. The purpose of this letter is to provide guidelines regarding the implementation of the new rules and their impact on:

- pending Medicaid bed waiver applications or exemption requests currently under review; and
- approved Medicaid bed allocations that have not been certified.

DADS will consider waiver applications and exemption requests submitted to DADS prior to October 23, 2013 using the Medicaid bed rules for waiver requirements that were in effect **prior to October 23, 2013**.

The new rules at 40 TAC §[19.2322](#)(g)(6) and (7) allow DADS to suspend the processing of a waiver application for up to six months if DADS determines that the county or precinct occupancy rate has been at least 85 percent during at least six of the previous nine months. DADS **will not initiate the high occupancy waiver process provided for in these rules for counties or precincts for which a waiver application was submitted prior to October 23, 2013** and is under review by DADS.

Medicaid bed waivers and exemptions approved prior to October 23, 2013 that have not completed the bed certification process will be tracked through completion by DADS using the Medicaid bed rules for time limits, extensions and assignments that were in effect **prior to October 23, 2013**.

Bed allocations resulting from waiver applications and exemption requests that are approved on or after October 23, 2013, regardless of the date of application receipt, will be tracked through completion using the new Medicaid bed rules effective October 23, 2013, including the Time Limits and Extensions rules at 40 TAC §[19.2322](#)(i) and the waiver one-time assignment and ownership rules at 40 TAC §[19.2322](#)(g)(1-4).

Waiver applications and exemption requests that are received on or after October 23, 2013 will be processed and tracked under the new Medicaid bed allocation rules effective October 23, 2013.

Provider Letter No 13-45

December 5, 2013

Page 2

If you have questions about the new Medicaid bed allocation rules you may contact a Medicaid Bed Certification specialist in the Provider Licensure and Certification unit at (512) 438-2630.

Sincerely,

*[signature on file]*

Mary T. Henderson  
Assistant Commissioner  
Regulatory Services

MTH/cg